California Children and Families Commission

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California Children and Families Commission Deposits \$362 Million from Proposition 10 Revenues to Fund Local Child Development Programs

Leaders Celebrate an Unprecedented Investment, Extend an Invitation for Historic Grassroots Participation to Communities Statewide

LOS ANGELES – Calling on all Californians to "celebrate and participate," the California Children and Families Commission today made an unprecedented investment in children from the prenatal period to age five by depositing \$362 million from Proposition 10 tobacco tax revenues in local community trust funds to support local education, health and child care programs that promote early childhood development. The Commission also invited California parents, families, and community groups to participate in a far-reaching grassroots effort to determine how the money will be spent to best meet local needs.

State Commission members and Chairman Rob Reiner were joined by State Controller Kathleen Connell, California State Assembly Speaker Antonio Villaraigosa, Los Angeles Mayor Richard J. Riordan and Jane Henderson, Ph.D., executive director of the Commission, for the announcement.

"Today is a first-of-its-kind celebration," said Reiner. "It is also an open invitation to all of you – your families, friends, and everyone who cares about kids in communities across the state – to get involved and offer your thoughts on how the money should be spent to best help our youngest children."

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Prop. 10 is designed to create a comprehensive and integrated system of services to help children from the prenatal period to age five. Eighty percent of the revenues from the tax on cigarettes are distributed to County Commissions statewide based upon county birth rate data, according to the county where the birth mother resides. County Commissions develop strategic plans for spending the funds, but only after gathering extensive public input on local needs. Prop. 10 revenues are being transferred today into local trust funds set up by the County Commissions so that the money will be ready when local plans are in place.

"This year, Prop. 10 will generate approximately \$700 million in tobacco tax revenues to help provide California's youngest children a foundation for healthy, productive and positive lives," said Connell. "Significantly, 80 percent of the funds are distributed to County Commissions to fund local programs. This \$362 million deposit begins an unprecedented investment in California's youngest children."

Implementation of Prop. 10 is moving forward and on target. To date, nearly all 58 County Commissions have been formed and are either beginning or already holding public hearings and inviting input from communities – including families, day-care providers and service and advocacy groups. They are also engaging in the strategic planning necessary to ensure that their funded programs successfully meet local needs and show results.

"Never before in the history of California has there been such a comprehensive, grassroots effort to fully involve the public in deciding how young children's programs should be funded," said Villaraigosa. "Healthy children and strong families will be the ultimate measure of success, not how fast the money is spent. Prop. 10 demonstrates how public programs *should* work."

"Our children are our most precious resource," said Riordan. "As parents and caring Angelenos, we need to ensure that all children receive the support and care they need to lead healthy, productive lives. Prop. 10 provides our kids with the resources and tools they need to succeed in school and in life."

Studies have shown that a child's experiences in the first years of life have a profound impact on education, social and economic outcomes. Prior to Prop. 10, California spent little on children during these important developmental years.

"The earliest years are the most critical for brain development," said Henderson. "These first years determine how a child will perform in school and later in life. Thanks to Prop. 10 dollars, investments in these early childhood years will help give California's children the healthy and supportive foundation they need to succeed."

Prop. 10 revenues are generated by an additional 50 cents per pack tax on cigarettes.

This tax is contributing to the recent decline in tobacco consumption statewide.

"One of the anticipated and intended benefits of Prop. 10 is that it has contributed to the immediate 30 percent reduction in tobacco sales," Reiner said. "We expect this will lead to fewer adults, teens and pregnant women smoking, and fewer children exposed to the dangers of secondhand smoke."

"Together, we are striving to build the kind of foundation our kids need for success in school and in life. We know that a child's earliest years are the most crucial for his or her future," said Reiner. "This transfer of funds is a deposit towards ensuring that all California children enter school healthy and ready to learn."